



## **321 – PAYMENT REFORM - E-PRESCRIBING**

EFFECTIVE DATE: 10/01/14

STAFF RESPONSIBLE FOR POLICY: DHCM FINANCE

### **I. PURPOSE**

This Policy applies to Acute Care, ADHS/DBHS, ALTCS/EPD, CRS, DES/CMDP (CMDP), and DES/DDD (DDD) Contractors. The purpose of this Policy is to define parameters for the Payment Reform - E-Prescribing Initiative.

### **II. DEFINITIONS**

**ELECTRONIC PRESCRIPTION OR E-PRESCRIPTION** Electronic prescriptions or e-prescriptions include those prescriptions generated through a computer-to-computer electronic data interchange protocol, following a national industry standard and identified by Origin Code 3.

**ORIGIN CODE** The field located in the National Council for Prescription Drug Programs (NCPDP) standardized code set known as the Prescription Origin Code and also referred to as the NCPDP Prescription Origin Code.

### **III. POLICY**

#### **A. GENERAL**

E-prescribing is a recognized and proven effective tool to improve members' health outcomes and reduce costs. Benefits afforded by the electronic transmission of prescription-related information include, but are not limited to, reduced medication errors, reductions of drug and allergy interactions, and therapeutic duplication, patient adherence, and increased prescription accuracy.

The following parameters shall apply for the Payment Reform - E-Prescribing Initiative.

1. Only those prescriptions that meet the definition of an e-prescription shall be included for the purpose of the initiative. The initiative shall not include other electronic methods of transmitting prescriptions including computer-generated paper prescriptions or facsimiles or telephone-generated prescriptions. The initiative also shall not include e-prescriptions converted to computer-generated facsimile when the e-prescription is sent via an intermediary that is unable to complete the transaction.
2. Refills retain the origin of the prescription. Each time a prescription that meets the definition of an e-prescription is refilled, it counts as an e-prescription. Consequently,



refills shall not be counted toward as electronic originations for this initiative as they overstate the number of prescriptions generated in this manner.

3. Controlled substances can be e-prescribed and therefore, may be counted as an e-prescription if the electronic origination meets the definition of an e-prescription.
4. Prescriptions generated by nurse practitioners and physician assistants may be counted as electronic originations if they meet the definition of an e-prescription.

AHCCCS may sanction the Contractor for failure to meet the minimum goals.

#### **B. AHCCCS RESPONSIBILITIES**

1. AHCCCS shall determine a baseline of original prescriptions generated as e-prescriptions by line of business for each Contractor based on encounter data processed between January 1 and May 31, 2014. For ADHS/DBHS, AHCCCS shall determine a baseline of original prescriptions generated as e-prescriptions for the Integrated RBHA based on encounter data processed during a span of multiple months to be determined based on encounter completeness. The single baseline shall include data for all members (integrated and non-integrated) and all services (behavioral and physical). Improvement shall be measured in total. For CRS, AHCCCS shall determine a baseline of original prescriptions generated as an e-prescription inclusive of all coverage types.
2. AHCCCS shall measure original prescriptions generated as e-prescriptions by line of business for each Contractor based on encounter data processed between July 1, 2015 and September 30, 2015 against the baseline to determine the percent of increase.

#### **C. CONTRACTOR RESPONSIBILITIES**

1. The Contractor shall increase the percent of prescriptions originating through e-prescribing by 20% as compared to the baseline identified by AHCCCS for the Contractor.
2. Prescription origination data must be submitted on all pharmacy encounter records, as outlined in the AHCCCS NCPDP Post Adjudicated History Transaction Companion Guide, in order for AHCCCS to measure the Contractor's success.
3. The Prescription Fill Number (Original or Refill Dispensing) must be submitted on all pharmacy encounter records, as outlined in the AHCCCS NCPDP Post Adjudicated History Transaction Companion Guide, in order for AHCCCS to measure the Contractor's success.
4. The Contractor shall submit an Executive Summary identifying the Contractor's strategies to increase e-prescribing to the DHCM Finance Manager by October 31,



2014. The Executive Summary shall include whether or not the Contractor will utilize any payment incentives or disincentives.

For ADHS/DBHS, the Executive Summary is due within two months from notification of the baseline.

#### **IV. REFERENCES**

- Acute Care Contract, Section D
- ADHS/DBHS Contract, Section D
- ALTCS/EPD Contract, Section D
- CRS Contract, Section D
- DES/CMDP Contract, Section D
- DES/DDD Contract, Section D
- AHCCCS NCPDP Post Adjudicated History Transaction Companion Guide

**IMPLEMENTATION 10-1-14**